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ELIAS C. ALVORD (1942)
ELLSWORTH C. ALVORD (1964)

ROBERT W. ALVORD
ALBERT H. GREENE
CARL C. DAVIS*
CHARLES T. KAPPLER
JOHN H. DOYLE
MILTON C. GRACE*
GEORGE JOHN KETO**
RICHARD N. BAGENSTOS

* NOT A MEMBER OF D.C. BAR
** ALSO A MEMBER OF OHIO BAR

LAW OFFICES
ALVORD AND ALVORD

200 WORLD CENTER BUILDING

918 SIXTEENTH STREET, N.W.

WASHINGTON, D. C.

20006-2973

May 28, 1982 13652

RECORDATION NO. 13652

OF COUNSEL
JESS LARSON
JOHN L. INGOLDSBY
URBAN A. LESTER

CABLE ADDRESS
"ALVORD"

TELEPHONE
AREA CODE 202
393-2266

TELEX

440367 A AND A WSH (INTERNATIONAL)
440348 CDAA UI (INTERNATIONAL)
892482 A AND A WSH (DOMESTIC)

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MAY 28 1982 -2 05 PM

Agatha L. Mergenovich
Secretary
Interstate Commerce Commission
Washington, D.C.

INTERSTATE COMMERCE COMMISSION

MAY 28 1982

Date.....

Fee \$ 3.00

MAY 28 1982 -2 05 PM

Dear Madam:

ICC Washington, D. C.

Enclosed herewith for recordation pursuant to the provisions of 49 U.S.C §11303 are the original and one copy of a Management Agreement dated as of October 31, 1980, and duplicate originals of a First Amendment to Management Agreement dated as of May 19, 1982.

The Management Agreement is a "primary document" as that term is defined in 49 C.F.R. §1116.1(a).

The railroad equipment covered by the enclosed documents is described in Schedule I attached hereto and made a part hereof.

The names and addresses of the parties to the enclosed documents are:

Owners: Saul Duff Kronovet, as agent for
Railroad Boxcar Associates
Railroad Boxcar Associates II
Box Car CC Associates
Edward S. Gordon Co., Inc.
919 Third Avenue, 29th Floor
New York, New York 10022

Manager: Arbox Three Corp.
2 Central Plaza
Augusta, Maine 04330

Kindly return the copies not needed for your records to Charles T. Kappler, Esq., Alvord and Alvord, 918 Sixteenth Street, Washington, D.C. 20006.

Charles T. Kappler

Agatha L. Mergenovich
Secretary
Interstate Commerce Commission
May 28, 1982
Page Two

Also enclosed is a check in the amount of \$50
payable to the order of the Interstate Commerce
Commission covering the required recordation fees.

Very truly yours,


Charles T. Kappler

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INTERSTATE COMMERCE COMMISSION

THIS AGREEMENT HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933 OR THE APPLICABLE SECURITIES ACT OF ANY STATE. NO OFFER TO SELL, SALE OR OTHER TRANSFER OF THIS AGREEMENT OR THE RIGHTS HEREUNDER MAY BE MADE UNLESS A REGISTRATION UNDER SUCH ACTS IS IN EFFECT, OR AN EXEMPTION FROM THE REGISTRATION PROVISIONS OF SUCH ACTS IS THEN APPLICABLE.

FIRST AMENDMENT TO
MANAGEMENT AGREEMENT

THIS AGREEMENT, dated as of the 19th day of May, 1982, between ARBOX THREE CORP., a New York corporation ("ARTE"), and Saul Duff Kronovet, as agent for Railroad Boxcar Associates ("RBA"), Railroad Boxcar Associates II ("RBA II"), Box Car CC Associates ("Boxcar CC") and Edward S. Gordon Co. Inc. ("ESG") (each such person being hereinafter called an "Owner" and collectively referred to as the "Owners").

W I T N E S S E T H:

WHEREAS, the parties entered into a Management Agreement as of October 31, 1980;

WHEREAS, the parties desire to amend said Agreement;

NOW, THEREFORE, in consideration of the premises and the mutual covenants herein contained, the parties agree that said Agreement should be amended, effective as of October 31, 1980, as follows:

1. Section 3(c) is hereby modified by adding the following underlined matter:

"(c) The parties agree that each Owner shall at all times be and remain the owner of such Owner's Boxcars, and that nothing in this Agreement is in any way intended to grant any legal or equitable ownership interest or property right in such Owner's Boxcars to ARTE or to any railroad whose markings appear on the Boxcars. Further, ARTE will not directly or indirectly create or suffer to exist, any mortgage, pledge, lien, charge, encumbrance, or other security interest or claim on or with respect to such Owner's Boxcars in favor of persons claiming through or under ARTE or through or under any railroad whose markings appear on such Owner's Boxcars. ARTE will promptly, at its expense, take such action as may be necessary to duly discharge any such mortgage, pledge, lien, charge, encumbrance, security interest or claim in favor of persons claiming through or under ARTE or through or under any railroad whose markings appear on such Owner's Boxcars, and shall indemnify

such Owner and hold such Owner harmless from and against all claims, damages and expenses arising out of any such third party claim."

2. The following sentence is hereby added to Paragraph 4(a):

"The Boxcars will, in the aggregate, be placed in service and utilized prior to other substantially similar equipment to the extent economically feasible."

3. The following new subsection (iv) is hereby added to Section 4(c):

"(iv) ARTE shall prepare and cause to be filed such amendments to filings with the ICC and/or other regulatory agencies so that such filings at all times reflect the current identifying numbers, markings and insignia on the Boxcars."

4. Section 4(e) is hereby modified to read as follows:

"(e) ARTE will at all times while this Agreement is in effect furnish, at its expense, combined single limit liability insurance insuring ARTE and each owner separately in an amount not less than \$3,000,000 for each person and \$3,000,000 for each occurrence for liability arising out of bodily injury and property damage as a result of the ownership and operation of such Owner's Boxcars. ARTE shall furnish each Owner with a Certificate of Insurance confirming that such Owner is named as an additional insured under such policy and that each of the Owner's Boxcars is referred to in such policy. ARTE shall seek to obtain and maintain, at the expense of each Owner, all risk casualty insurance against damages to each of such Owner's Boxcars in an amount not less than the original invoice price thereof, with a \$500 deductible applicable on a per Boxcar basis. The cost of such casualty insurance shall be paid directly by the Owner (but ARTE shall have the right to pay the premiums on behalf of the Owner and to deduct such amounts from the Owner's Gross Revenues if and to the extent permitted by the terms of any financing arrangements by the Owner with respect to the Boxcars.)

If at any time the general liability insurance maintained on any Owner's Boxcars shall lapse or have limits of less than \$3,000,000 for whatever reason, ARTE shall immediately upon receipt of notice of the lapse of, or decrease in, such insurance coverage, give written notice to such Owner of the same. ARTE shall notify such Owner promptly with respect to any default in payment of any premium or of any other act or omission of ARTE or of any other party of which it has knowledge which might invalidate, or render unenforceable, or result in a lapse of or reduce, any insurance coverage on the Boxcars maintained pursuant to this Agreement."

5. The second sentence of Section 4(f)(i) is hereby modified by adding the following underlined matter:

"All expenses of inspection, maintenance and repairs (including transportation charges to repair facilities and storage awaiting repairs) attributable to each Owner's Boxcars shall be paid by each Owner (but ARTE shall have the right to pay such expenses on behalf of such Owner from such Owner's Gross Revenues, in amounts, in the aggregate, no greater than \$600 per Boxcar per year, less any insurance and accounting expense which ARTE is entitled to pay from such Owner's Gross Revenues."

6. The following is being added to Section 4(i):

"ARTE understands that such rights include the right of U.S. Steel Credit Corporation to terminate this agreement, without penalty or the occurrence of a default, upon any default by any of the Owners to U.S. Steel Credit Corporation (after giving effect to any express period of cure with respect to any such default.) Schedule 1 attached hereto indicates the Boxcars which are subject to such prior rights of U.S. Steel Credit Corporation or G.E. Credit Corporation."

7. A new Section 4(j) is being added as follows:

"(j) ARTE shall have the right to subcontract its management obligations to a manager selected by it; provided that, so long as U.S. Steel Credit Corporation has any rights with respect to any of the Boxcars, (i) such management subcontractor and any management subcontract entered into by ARTE will be subject to the prior written approval of

U.S. Steel Credit Corporation; (ii) a list of the Boxcars which are subject to any such subcontract will be delivered to the Owner of any such Boxcar and to U.S. Steel Credit Corporation; and (iii) the entering into of any such subcontract will not relieve ARTE of any of its obligations hereunder with respect to any Boxcar which is subject to any such subcontract. The Management Agreement dated as of April 15, 1982 between Saul Duff Kronovet as agent for owners, and CIS Equipment Leasing Corporation (the "CISEL Agreement") is deemed to be such a subcontract for purposes of this subsection, the Boxcars which are subject to the CISEL Agreement are also subject to the terms of this Agreement, and ARTE agrees to perform all of the obligations of the Owner as defined in the CISEL Agreement."

8. Section 5(c)(vi) is hereby modified by adding the following underlined matter:

"(vi) Costs for the insurance set forth in the third sentence of Section 4(e)."

9. The following clause is hereby added to the last sentence of Section 6:

", subject to the provisions of Section 4(a)."

10. Section 7(c) is hereby modified by adding the following underlined matter:

"(c) Each Owner agrees to pay ARTE a management fee in an amount equal to the Gross Revenues received in a calendar quarter generated by a Utilization Rate in excess of 82% less any amounts payable by the Owners pursuant to sections 5(c)(ix) and 5(c)(x). Gross Revenues generated by a Utilization Rate equal to or less than 82% shall be for the accounts of the Owners."

11. The last sentence of Section 7 is hereby modified by adding the following underlined Matter:

"The parties agree that they shall effect such modifications in this Section 7 as the arbitrators determine to be appropriate; provided that, so long as U.S. Steel Credit Corporation has any rights with respect to any of the Boxcars, no such modification will be made without the prior written approval of U.S. Steel Credit Corporation."

12. Section 11(c) is hereby deleted in its entirety.

13. Section 12 is hereby modified by adding the following underlined matter:

"12. Default. The occurrence of any of the following events shall be Events of Default hereunder if not cured within 14 days after notice thereof."

14. A new sentence is hereby added to the end of Section 18 (d) as follows:

"ARTE will promptly deliver to U. S. Steel Credit Corporation a copy of all notices or statements delivered by ARTE to any Owner or by any Owner to ARTE relating to any of the Boxcars."

IN WITNESS WHEREOF, the parties have executed this Agreement under seal as of the date of acceptance hereof by ARTE.

WITNESS:

Owners



By



Saul Duff Kronovet, Agent
for each Owner

ARBOX THREE CORP.

By



President

For ARBOX THREE CORP.:

Commonwealth of Pennsylvania

~~STATE OF NEW YORK~~)

Allegheny: ss.:
COUNTY OF ~~NEW YORK~~)

On this *20th* day of *May*, 198*2*, before me personally appeared Saul Duff Kronovet, to me personally known, who being by me duly sworn, says that he is the Chief Executive Officer of ARBOX THREE CORP., that the seal affixed to the foregoing instrument is the corporate seal of said corporation; that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and Notarial Seal.

Kathleen A. Kacin
Notary Public

[SEAL]

My Commission Expires:

KATHLEEN A. KACIN, Notary Public

Pittsburgh, Allegheny County, Pa.

My Commission Expires Sept. 29, 1983

Commonwealth of Pennsylvania

~~STATE OF NEW YORK~~)

Allegheny: ss.:
COUNTY OF ~~NEW YORK~~)

On this *20th* day of *May*, 198*2*, before me personally appeared Saul Duff Kronovet, to me personally known who, being by me duly sworn, says that he is the duly authorized agent for Railroad Boxcar Associates, Railroad Boxcar Associates II, Boxcar CC Associates and Edward S. Gordon Co. Inc., and he acknowledged that the execution of the foregoing instrument was his free act and deed.

Kathleen A. Kacin
Notary Public

[NOTARIAL SEAL]

My Commission Expires:

KATHLEEN A. KACIN, Notary Public

Pittsburgh, Allegheny County, Pa.

My Commission Expires Sept. 29, 1983